

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

08 CV 361S

- against -

WATERMARK FINANCIAL SERVICES GROUP, INC.,  
WATERMARK M-ONE HOLDINGS, INC., M-ONE  
FINANCIAL SERVICES, LLC, GUY W. GANE, JR.,  
LORENZO ALTADONNA, THOMAS BRICK, and  
DEBORAH GALAS,

Defendants,

- and -

GUY W. GANE, III, JENNA GANE, DENKON, INC., and  
KONSTANTINOS SAMOUILIDIS,

Relief Defendants.

**ORDER APPOINTING TAX ADMINISTRATOR**

The Court, having reviewed Plaintiff Securities and Exchange Commission's Motion to appoint Damasco & Associates LLP as Tax Administrator (Docket No. 226) and for good cause shown, IT HEREBY IS ORDERED THAT:

1. The Commission's Motion to Appoint a Tax Administrator (Docket No. 226) is GRANTED.

2. Damasco & Associates LLP is appointed as Tax Administrator to execute all income tax reporting requirements, including the preparation and filing of tax returns, for all funds under the Court's jurisdiction in this case (the "Distribution Fund").

3. Damasco & Associates LLP shall be designated the Tax Administrator of the Distribution Fund, pursuant to section 468B(g) of the Internal Revenue Code (IRC), 26 U.S.C. § 468B(g), and related regulations, and shall satisfy the administrative requirements imposed by those regulations, including but not limited to (a) obtaining a taxpayer identification number, (b) filing applicable federal, state, and local tax returns and paying taxes reported thereon out of the Distribution Fund, and (c) satisfying any information, reporting, or withholding requirements imposed on distributions from the Distribution Fund. Upon request, the Tax Administrator shall provide copies of any filings to the Commission's counsel of record.

4. The Tax Administrator shall, at such times as the Tax Administrator deems necessary to fulfill the tax obligations of the Distribution Fund, request that the Commission's counsel of record file with the Court a motion, supported by the Tax Administrator's declaration of the amount of taxes due, to transfer funds from the Distribution Fund to pay any tax obligations of the Distribution Fund.

5. The Tax Administrator shall be entitled to charge reasonable fees for tax compliance services and related expenses in accordance with its agreement with the Commission. The Tax Administrator shall, at such times as the Tax Administrator deems appropriate, submit a declaration of fees and expenses to the Commission's counsel of record for submission to the Court for approval and for payment from the Distribution Fund. No fees or expenses may be paid without the Court's prior approval.

6. Before any motion to pay fees and expenses is filed with the Court, the Tax Administrator shall provide the Commission counsel of record with a draft of the supporting declaration for review. If the Commission has any corrections or objections to the declaration, the Tax Administrator and the Commission's counsel shall attempt to resolve them on a consensual

basis. If a consensual resolution is not reached, the Commission may submit with the motion any objections along with the Tax Administrator's response thereto.

**SO ORDERED.**

Dated: February 14, 2013

Buffalo, NY

/s/William M. Skretny

William M. Skretny, Chief Judge